GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2443
ANSWERED ON:10.03.2000
EXPORT ORIENTED UNITS
HARIBHAI PARTHIBHAI CHAUDHARY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether several units have not started functioning even after getting the approval for setting up of export oriented units;

(b) if so, the number of such units as on December 31, 1999; and (

(c) the reasons for their non-functioning so far?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a)&(b):Out of 4311 valid approved Export Oriented Units upto the December,1999, 1348 units were operational and 600 units were under implementation at various stages. The remaining units have not been able to start implementation/operation so far.

(c) The reasons are related to procedural and functional problems. After getting approval, an EOU is required to contact Financial Institution, which may take some time for approval. Various other clearances and approval are required from State Government agencies Business development plan and other managerial arrangements need to be tied up before production is started.